

# SENATE RECORD VOTE ANALYSIS

104th Congress  
1st Session

Vote No. 400

September 7, 1995, 4:00 p.m.  
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## WELFARE REFORM BILL/Daschle Substitute

**SUBJECT:** Family Self-Sufficiency Act of 1995 . . . H.R. 4. Daschle substitute amendment No. 2282 to the Dole modified perfecting amendment No. 2280 to the committee substitute amendment.

### ACTION: AMENDMENT REJECTED, 45-54

**SYNOPSIS:** As reported with a committee substitute amendment, H.R. 4, the Family Self-Sufficiency Act of 1995, will overhaul 6 of the Nation's 10 largest welfare programs.

The Dole modified perfecting amendment would strike the provisions of the committee substitute amendment and insert in lieu thereof substitute provisions, entitled "The Work Opportunity Act of 1995."

**The Daschle substitute amendment** to the Dole amendment would amend and expand all Aid to Families with Dependent Children (AFDC) programs, including AFDC-related child care and job training programs, and would rename the resulting entitlement program as "Temporary Employment Assistance" which would give "Work First" grants to States. "Clients" (welfare recipients) would be entitled not only to cash assistance, food stamps, Medicaid, housing assistance, and education aid, but also to unlimited job training and free child care (should they choose to attend school, get a job, or attend job training workshops). The Congressional Budget Office's preliminary estimate of this new entitlement program is that it would cost nearly \$16 billion more than the AFDC program over the next 7 years. Other elements of the Daschle amendment include the following:

- "Work-related" requirements: 30 percent of cash welfare recipients would be required to engage in "work-related activities" by FY 1997, and 50 percent by FY 2000. However, numerous exemptions would also be enacted. The CBO estimates that these exemptions would result in these requirements applying only to 75 percent of all cash recipients. Therefore, when fully implemented, the requirements would only make 37.5 percent of all cash recipients engage in "work-related" activities.

- 5-year limit: a 5-year lifetime limit on receiving cash benefits would be imposed. A client who reached the limit would remain entitled to Medicaid, food stamps, and other welfare programs. Further, the State would not simply end cash payments; instead, it would be required to convert the client's cash benefit to a voucher which could be used for "shelter, goods, and services." The limit would not apply to teen mothers, nor would it apply for one year to a woman who enrolled when her first child was born, nor would

(See other side)

YEAS (45)		NAYS (54)		NOT VOTING (1)	
Republicans (0 or 0%)	Democrats (45 or 98%)	Republicans (53 or 100%)	Democrats (1 or 2%)	Republicans (1)	Democrats (0)
Akaka	Inouye	Abraham	Helms	Murkowski- <sup>2</sup>	
Biden	Johnston	Ashcroft	Hutchison		
Bingaman	Kennedy	Bennett	Inhofe	<b>EXPLANATION OF ABSENCE:</b> 1—Official Business 2—Necessarily Absent 3—Illness 4—Other  <b>SYMBOLS:</b> AY—Announced Yea AN—Announced Nay PY—Paired Yea PN—Paired Nay	
Boxer	Kerrey	Bond	Jeffords		
Bradley	Kerry	Brown	Kassebaum		
Breaux	Kohl	Burns	Kempthorne		
Bryan	Lautenberg	Campbell	Kyl		
Bumpers	Leahy	Chafee	Lott		
Byrd	Levin	Coats	Lugar		
Conrad	Lieberman	Cochran	Mack		
Daschle	Mikulski	Cohen	McCain		
Dodd	Moseley-Braun	Coverdell	McConnell		
Dorgan	Moynihan	Craig	Nickles		
Exon	Murray	D'Amato	Packwood		
Feingold	Nunn	DeWine	Pressler		
Feinstein	Pell	Dole	Roth		
Ford	Pryor	Domenici	Santorum		
Glenn	Reid	Faircloth	Shelby		
Graham	Robb	Frist	Simpson		
Harkin	Rockefeller	Gorton	Smith		
Heflin	Sarbanes	Gramm	Snowe		
Hollings	Simon	Grams	Specter		
	Wellstone	Grassley	Stevens		
		Gregg	Thomas		
		Hatch	Thompson		
		Hatfield	Thurmond		
			Warner		

it apply for six months for each subsequent child she had while on welfare.

- Areas of high unemployment: instead of establishing empowerment zones, the Daschle amendment would create, in effect, impoverishment zones. Lifetime limits would not apply to clients in areas with greater than 8 percent unemployment. The size of these areas is not defined in the amendment.

- Child support enforcement: changes to child support enforcement procedures would be enacted that the CBO estimates would increase costs by \$261 million over the next 3 years.

- Food stamp reforms: the Congressional Budget Office estimates that food stamp reforms in the Daschle amendment would save \$19 billion over 7 years.

- Changes in Supplemental Security Income (SSI) and in Federal policy on sponsorship of legal immigrants would produce savings of \$18 billion (in total, the Daschle amendment would result in net savings of \$21 billion, in contrast to the \$70 billion in net savings that would accrue from the Dole amendment).

- The Daschle amendment would not make any changes to the existing welfare bureaucracy, though it would encourage States to collocate their welfare programs in "convenient locations" in low-income communities to make it easier for clients to shop for different types of welfare benefits. States would also be encouraged to give advice in obtaining a range of benefits "in appropriate languages and in a culturally sensitive manner."

- Clients seeking jobs would be forbidden to "fill any vacancy" or to perform any activities that would "supplant the hiring of employed workers not funded" under the Work First program.

**Those favoring** the amendment contended:

The Daschle amendment has been offered to enact real welfare reform. It would provide: job training and assistance to get jobs; protection for children on welfare; and sufficient funding to get the job done. The first step that would be taken by the Daschle amendment would be to abolish the AFDC program and replace it with the Temporary Employment Assistance Program. This Federal program would be administered by the States with requirements that focus on getting clients off the welfare rolls by getting them jobs. The culture of welfare offices would be changed from that of assistance offices to that of empowerment offices. Instead of fussbudgeting over eligibility rules, social workers would sit down with clients and work out plans to get them jobs and to make sure that their children's educational and health needs were being met. Every new welfare recipient would sign a contract saying that they intended to find employment. The social worker would assess job skills and help with job training and job search activities.

Twenty hours of weekly community service would be required if a job were not found within 6 months. A public sector job would be given if a job were not found within 2 years. These work requirements would apply to 50 percent of all welfare recipients by the year 2001, except for certain groups of people who should not be required to work, such as the disabled. Additionally, each recipient would have a lifetime limit for Temporary Employment Assistance of 5 years. This limit also would have reasonable exceptions, such as for people who live in areas of greater than 8 percent unemployment (because in such areas jobs are simply unavailable).

The next important element of the Daschle amendment is that it would protect children. When a mother moves from welfare to entry-level work, she loses numerous welfare benefits besides AFDC, plus she picks up the additional dilemma of finding someone to care for her children. The loss of medical care, and the need to provide child care, are major disincentives for women on welfare to begin work. Accordingly, the Daschle amendment would create a new entitlement for women who leave welfare for work. They would remain eligible for Medicaid, plus they would become eligible for child care assistance. The amendment would also help children whose mothers reach the 5-year lifetime limit without getting work by requiring that States make vouchers, instead of cash, available to their mothers to take care of them.

Perhaps most importantly, the Daschle amendment would provide the necessary resources. Assistance would remain an entitlement, and the Federal Government would remain involved. States cannot handle this problem by themselves. We agree that it is an enormous problem, and we agree that States should have flexibility to respond with innovative solutions, but the Federal Government must retain a roll, and must provide adequate funding, if we are going to succeed in ending welfare as we know it. The Dole amendment would simply freeze funds with no maintenance of effort requirements on the States. The effect of the amendment would be to cut funding for welfare at the same time as the amendment would call on the States to replace welfare with expensive jobs programs. This solution, while well-intended, would not work. Though both amendments share some elements in common, such as their tough requirements on fathers who are delinquent on child support payments, the Daschle amendment is clearly preferable, and we therefore urge Senators to vote in its favor.

**Those opposing** the amendment contended:

Since President Lyndon Johnson launched the war on poverty in 1965, welfare spending has cost U.S. taxpayers about \$5.4 trillion. The number of children on AFDC has tripled between 1965 and 1992, though the total number of children in the United States has declined by 5.5 percent over that same time period. Most of these children on AFDC are illegitimate. Since 1960, the percentage of children born who are illegitimate has risen from 6 percent to the current 33 percent. Today, one child in seven is raised

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on welfare through the AFDC Program.

Senators tell us that the causes of illegitimacy are not well understood, and that we thus do not know the solutions. However, they neglect to mention that one conclusion that has consistently been drawn from social science research is that increasing welfare benefits increases the number of welfare dependents. The results have been the same from the 1960s through the present. The most famous research is the Seattle Income Maintenance Experiment-Denver Income Maintenance Experiment (SIME/DIME) of the 1970s, and the results of that research have been confirmed time and again, such as by the 1993 study by Anne Hill and June O'Neill (now the Director of the Congressional Budget Office), "Underclass Behaviors in the United States: Measurement and Analysis of Determinants." A concrete example of the effect of providing more generous benefits is provided by the 1988 Family Support Act, which increased the generosity of AFDC benefits. The welfare rolls, which had remained steady for a decade, have risen by 3 million since enactment of that Act.

The next simple fact that Senators need to be aware of is that every Federal effort to reduce welfare dependency has failed. The most common approach has been to call for job training. The Federal Government, partially as a result, now has 155 job training programs, including as part of the AFDC program. We doubt anyone would describe these programs as having reduced welfare dependency. In contrast, some State programs have met with success. A few States, after months or years of begging for waivers from Federal welfare requirements as permitted under the 1988 Act, have been given permission to try innovative approaches. Notable successes have been achieved in Iowa, Wisconsin, and other States. When the Federal Government has been willing to step aside, States have found that they can succeed.

With this background, we ask our colleagues to look at the Daschle amendment. The first thing that it would do is offer a bigger, more expensive package of entitlements. Welfare recipients would be entitled to the same benefits as before, plus they would get free unlimited job training and free child care if they go to school, attend job training workshops, or get a job. AFDC would be renamed the Temporary Employment Assistance program. The name sounds good, but it does not accurately describe the program. Daschle amendment supporters would have us believe their amendment would make 50 percent of all welfare recipients work while on welfare, make recipients get jobs within 2 years, and would deny anyone more than 5-years worth of benefits over a lifetime. However, the amendment would totally fail to meet those goals.

First, the "50 percent" requirement would be 50 percent of those welfare recipients who would not be exempted by the Daschle amendment from work requirements. According to the CBO, 25 percent of recipients would be exempt. Thus, only 37.5 percent of welfare recipients by 2001 would be required to work. Second, the two-year limit has a long list of exceptions. For example, it would not apply at all to teenagers. Third, the 5-year lifetime limit also has a long list of exceptions, including that one would remain eligible for welfare if one lived in an area with an unemployment rate in excess of 8 percent. How areas would be determined is not specified--a single housing project could conceivably be found to have a high unemployment rate, thus entitling its tenants to a lifetime of benefits. Fourth, even if the 5-year limit were ever reached for a welfare recipient, the State would then be required to convert that recipient's cash benefit to a voucher to be used to buy "shelter, goods, and services." Fifth, even if a State chose to ignore these requirements, money would still have to be given because the Daschle amendment would keep funding of the program as an entitlement. We do not consider this to be reform.

Perhaps the worst aspect of this foolish policy of increasing welfare and attempting one more Federal jobs program is that it would be run by the same bureaucrats at the Department of Health and Human Services who currently run the AFDC Program. Those bureaucrats would continue to impose regulations, reporting requirements, and program requirements. States would be given a detailed list of programs they could implement, and they would be prohibited from transferring welfare funds among integrally related welfare programs.

We agree that the Daschle amendment has some favorable features, which it in fact shares in common with the Dole amendment. However, on AFDC, the Daschle amendment would only make matters worse. It would increase spending, thus increasing dependency; it would retain Federal control, despite the fact that the Federal Government has created the problem and has had no success in alleviating it; and it would impose work requirements that are so weak and riddled with loopholes that they would be doomed to fail. The Daschle amendment is sham reform. We urge its rejection.